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FEDERAL ELECTION COMMISSION
MAY 16 2007
SECRETARIAT

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
DeRossett for Congress and Lori Jean)
Lobbestael, in her official capacity as treasurer)
Oscar Gene DeRossett)

2007 MAY 16 A 11: 31
MUR 5731 **SENSITIVE**

GENERAL COUNSEL'S REPORT #3

I. ACTIONS RECOMMENDED

(2) find probable
cause to believe that DeRossett for Congress and Lori Jean Lobbestael, in her official capacity as
treasurer, violated 2 U.S.C. § 441a-1(b)(1) and 11 C.F.R. § 400.21(b); (3) find probable cause to
believe that Oscar Gene DeRossett violated 2 U.S.C. § 441a-1(b)(1) and 11 C.F.R. § 400.25; and

II. BACKGROUND

The Commission found reason to believe that DeRossett for Congress and Lori Jean
Lobbestael, in her official capacity as treasurer, and Oscar Gene DeRossett ("Respondents")
violated the so-called "Millionaire's Amendment" by failing to timely file an initial FEC Form
10 disclosing that DeRossett had made expenditures in excess of \$350,000 from his personal
funds. 2 U.S.C. § 441a-1(b)(1). _____iation

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20 We served Respondents with the General Counsel's Briefs ("the GC Briefs"),
21 incorporated herein by reference, setting forth the factual and legal basis upon which this Office
22 is prepared to recommend that the Commission find probable cause to believe that Respondents
23 violated the Act. In their response to the GC Briefs, Respondents do not contest the factual or

1 legal analysis set forth therein, conceding that, "there has never been a question whether

2 Respondent filed his Form 10 18 days late "

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16 Further, Respondents' untimely filing of FEC Form 10 had an adverse effect on the
17 opposing candidates. In response to the Committee's filing of FEC Form 10, four of DeRossett's
18 opponents claimed entitlement to (and accepted) increased contributions pursuant to 2 U.S.C.
19 § 441a-1(a). Respondents'
20 untimely filing of FEC Form 10 delayed the ability of each of these candidate committees to seek
21 increased contributions

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20 Further, because Respondents do not contest the legal or factual analysis set forth in the
21 GC Briefs, this Office recommends that the Commission find probable cause to believe that
22 DeRossett for Congress and Lori Jean Lobbestael, in her official capacity as treasurer, violated
23 2 U.S.C. § 441a-1(b)(1) and 11 C.F.R. § 400.21(b), and that Oscar Gene DeRossett violated

2 U.S.C. § 441a-1(b)(1) and 11 C.F.R. § 400.25 by failing to timely file an initial FEC Form 10 indicating that DeRossett had surpassed the \$350,000 personal expenditure reporting threshold of the Millionaire's Amendment.

[REDACTED]

V. **RECOMMENDATIONS**

1. [REDACTED]
2. Find probable cause to believe that DeRossett for Congress and Lori Jean Lobbestael, in her official capacity as treasurer, violated 2 U.S.C. § 441a-1(b)(1) and 11 C.F.R. § 400.21(b).
3. Find probable cause to believe that Oscar Gene DeRossett violated 2 U.S.C. § 441a-(b)(1) and 11 C.F.R. § 400.25

4. Approve the _____ appropriate letters.

May 16, 2007

Date

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